

Thomas-Jensen Affirmation

Exhibit # 65

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF RHODE ISLAND**

STATE OF NEW YORK; et al.,

Plaintiffs,

v.

DONALD TRUMP, in his official capacity as
President of the United States; et al.,

Defendants.

C.A. No. 1:25-cv-00039-JJM-PAS

DECLARATION OF Harry Coker Jr.

I, Harry Coker Jr., declare as follows:

1. I am a resident of the Commonwealth/State of Maryland. I am over the age of 18 and have personal knowledge of all the facts stated herein, except to those matters stated upon information and belief; as to those matters, I believe them to be true. If called as a witness, I could and would testify competently to the matters set forth below.

2. I am currently employed by the Maryland Department of Commerce ("Commerce") as Acting Secretary.

3. Commerce is responsible for economic development for the State of Maryland.

4. As Acting Secretary, I am an Authorizing Official for federal grants that Commerce receives.

5. Commerce receives federal grants for several programs including, but not limited to:

- a. Federal funding from the Department of Defense's ("DoD") Office of Local Defense Community Cooperation.
- b. Federal funding from (1) American Rescue Plan, State Small Business Credit Initiative (SSBCI), through Treasury, and (2) American Rescue Plan, through the Economic Development Administration ("EDA").
- c. Federal funding through the National Endowment for the Arts' Partnerships (State & Regional).

DoD Funded Grants

6. There are three federal grants from the DoD's Office of Local Defense Community Cooperation ("OLDCC") with obligations to be drawn down. These are reimbursable grants totaling \$2,184,577.00 in federal award dollars; \$641,573.00 has been received by Commerce and \$1,543,004.00 in anticipated payments.

7. OLDCC funds initiatives that further the priorities of the National Defense Strategy by supporting the readiness and resiliency of military installations and defense communities across the country. Two of the grants Commerce receives fund DefTech, a critical technology transfer program that provides no-cost education and consulting support to 41 early-stage Maryland technology companies interested in partnering with federal labs. Another grant funds a unique Installation Resilience project which will task the state with developing a collaborative framework for Maryland and its local defense communities to address resiliency concerns threatening critical infrastructure that, if impacted by climate change or other stressors, could negatively impact Maryland's installations and the \$61.4B they contribute to Maryland's economy.

8. Commerce's budget for this year relies on federal funding and we allocated funding for staffing and critical economic development programs based on the anticipated receipt of federal funding promised from OLDCC.

9. Any pause in our federal funding would greatly inhibit Commerce from 1) being able to operate the DefTech Center, threatening Maryland's and DoD's technology transfer goals, harming its innovation economy, and technology-focused businesses and 2) would limit the execution of the Installation Resilience project, which would not only threaten the \$61.4B economic impact from Maryland's military installations but could also threaten national security if the critical missions at those installations were lost as a result of the loss of military readiness.

10. Additionally, any vendors Commerce partners with to execute the above programs, including TEDCO, which operates the Maryland DefTech program, would potentially halt all program activities due to the chilling effect of not receiving payment for services.

11. Commerce is currently scheduled to receive disbursements of \$127,583.63 under our current federal grants in obligated but not disbursed funds.

12. Over the life of these grants, we expect to receive an additional \$1,685,164.00 in federal funding. If we do not receive such disbursements, it will negatively impact Maryland's economy by potentially halting programs that support small businesses, harm technology focused startups currently receiving services, and threaten the resilience of Maryland's defense communities and military installations.

13. On January 28, 2025, during the threat of the federal funding freeze, Commerce received communications from OLDCC that they were temporarily pausing payments to grantees while they evaluated their programs.

14. If the federal funding is paused, blocked, denied or delayed suddenly, Commerce would potentially be unable to continue the programs described above, harming Maryland's economy and potentially military readiness as it relates to installation resiliency risks impacting military missions.

Small Business Loans

15. Under the American Rescue Plan ("ARPA"), State Small Business Credit Initiative (SSBCI), Commerce was awarded \$30,000,000 from the U.S. Department of Treasury.

16. SSBCI is a program to support small businesses and entrepreneurship in communities throughout Maryland by providing capital and technical assistance to promote small business stability, growth, and success. All communities in Maryland are affected especially those with low income and high unemployment. The inability to disburse funds under current grant agreements effect 100s of small businesses and 1,000s of existing and future employees. Additionally, freezing federal funding could further reduce funding by eliminating the matching private sector investments into distressed communities receiving the federal funding.

17. Also, under ARPA, Commerce was awarded \$1,384,000.00 from the EDA for the State's Maryland Economic Adjustment Fund (MEAF).

18. MEAF uses the EDA funds to help targeted small businesses survive and/or recover from the business disruption caused by the COVID crisis. The inability to disburse funds under the current grant agreements affects small businesses looking to upgrade or modernize operations or expand commercial applications for technology or enter and compete in new markets. Lack of this funding would harm underserved businesses that are unable to qualify for loans from traditional lending sources by removing a much needed source of funding.

19. Commerce's budget for this year has relied on the SSBCI and EDA funding, and we made plans and allocated funding for staffing based on the anticipated receipt of Federal funding promised under the SSBCI and EDA grants.

20. Any pause in our federal funding would harm underserved small businesses and communities.

21. Small businesses are the backbone of any state economy. Not having access to this critical funding could potentially slow economic growth in the state but more importantly would cut critical funding to these businesses, essentially putting them out of business.

22. In the next six months, we are scheduled to receive disbursements of approximately \$15,000,000.00 under our current SSBCI and EDA federal grants.

23. The freeze is causing confusion in the small business community that has started the process for loans related the SSBCI and MEAF/EDA funds and whether or not these funds will be available.

24. If the federal funding is again paused, blocked, denied or delayed suddenly, the State may have to cancel those loans that were going to be funded with federal funds. Furthermore, some Commerce military programs are wholly federally funded and the grant manager position in Commerce's military affairs unit is almost wholly federally funded; if the funds are paused, blocked, denied or delayed, the programs that are federally funded would potentially be canceled.

Arts Programs

25. The Maryland State Arts Council ("MSAC") helps meet Commerce's economic development, business attraction, and business retention goals by supporting Maryland's arts sector.

26. MSAC receives federal funds through the National Endowment for the Arts' Partnerships (State & Regional). MSAC received Award 1932219-61-24 with a period of performance July 1, 2024 through June 30, 2025. The award totals \$995,800.00. To date, \$635,505.31 has been requested and approved for payment.

27. National Endowment for the Arts ("NEA") funding supports MSAC's activities, specifically supporting staff salaries, folklife activities, and Maryland's participation in the national Poetry Out Loud competition. Overall, MSAC's grant programs support 341 organizations that employ 9,082 Maryland residents, serve 8.6 million constituents, and have a total economic impact of \$986 million.

28. MSAC's budget for this year has relied on federal funding and MSAC made plans and allocated funding for staffing and programs that support Maryland's arts organizations and artists based on the anticipated receipt of Federal funding promised by the NEA.

29. Any pause in our Federal funding would impact the funding of projects and programs the Federal funding supports, this would greatly harm MSAC's ability to provide services to constituents and arts development activities critical to MSAC's mission.

30. Additionally, we anticipate that arts organizations will scale back programs and plans for providing arts programs to Maryland residents, chilling a sector of the economy that supports 80,202 jobs and makes up 2.7% of the State's economy.

31. Through June 30, 2025, we are scheduled to receive disbursements of \$830,586.40 under our current federal grant.

32. If by June 30, 2025 we do not receive such disbursements, it will necessitate the scaling back of programs with detriment to the arts programming, economic impact, and jobs discussed above.

33. If the federal funding is again paused, blocked, denied or delayed suddenly, MSAC will likely have to cancel a number of arts programs as MSAC does not have the funds to service those programs on its own without federal assistance. Moreover, MSAC would also have to scale back on hiring being currently undertaken to support local art development organizations as it would not have the funds to support those positions, thereby denying the local art development organizations much needed State support.

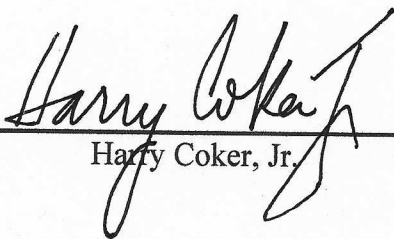
Conclusion

34. Commerce continues to be concerned that the funding will again be delayed or denied because of lack of communication from Federal funding agencies on whether the Federal grants received by Commerce will be impacted by future freezes or termination.

35. If the Federal funding is again paused, blocked, denied or delayed suddenly, Commerce will be forced to potentially scale back on its staffing plans and cut programs until assurances that awarded federal funds will be paid.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 6, 2025, at Baltimore, Maryland.



Harry Coker, Jr.